

## **Frequently Asked Questions and Answers Concerning**

### **2009 Furloughs**

As of February 18, 2009

Please find below a list of the most frequently asked questions (FAQs) and answers regarding furloughs. As other questions develop, the list will be updated and expanded, as appropriate.

A number of details associated with furloughs will be worked out within departments at the organization level. Labor-management committees will be involved in much of the decision making for represented employees. All employees should feel free to contact their human resources staff for detailed answers and discussions on furlough.

**Q1: Are there any steps which must be taken in order to finalize the 2009 furloughs?**

**A:** All necessary steps have been taken. The Memorandum of Agreement addressing furloughs for represented employees has been adopted by the King County Council. Code changes that address furloughs for non-represented employees have also been adopted by council.

**Q2: Why is it necessary to have unpaid furlough days in 2009?**

**A:** Local governments throughout Washington State, including King County, are experiencing severe budget shortfalls. There are two primary reasons for the shortfall. First, due to initiative-based changes in the Washington State tax structure, there is an insufficient tax base to support the operation of most counties within the state. Second, the national and internal financial crisis effects local governments by dramatically reducing revenue from every source, including property taxes, sales taxes, utility revenues like Wastewater, and licensing revenues.

**Q3: Will everyone have a ten-day furlough?**

**A:** Department management and the Office of Management and Budget have worked together to identify those bodies of work which will be subject to furlough (furlough-eligible) and those bodies of work which must continue through the furlough (furlough-ineligible). Employees whose bodies of work are furlough-eligible are scheduled to be furloughed for 80 hours during 2009, subject to some limited exceptions (see Furlough Bulletin # 0007). Part-time employees whose bodies of work are furlough eligible are scheduled to be furloughed in 2009 pro-rated to their work schedule (for example, a person working 20 hours per week would take 40 hours of furlough during 2009).

**Q4. Can a department reduce the normal hours an employee works during the year to spread the furlough out over 24 pay periods?**

**A:** No, this is outside of the Memorandum of Agreement and the code.

**Q5: If a person works an alternative work week, such as four days of ten hours per day, will they have to take ten ten-hour days as furlough?**

**A:** Full-time "furlough-eligible" employees will be scheduled for 80 hours of furlough in 2009. Employees will work with their managers, supervisors and labor-management committees in order to address alternative work week situations. If a furlough day lands on an employee's regular day off, an alternative furlough day will be scheduled, preferably in the same week as the designated furlough day.

Employees on an alternative work week schedule may also be reverted to standard work hour schedules during a furlough week (standard meaning 8 or 7 hour days depending on what is standard in each department). This is the preferred approach. However, when not feasible, the furlough day will be equal to the normally scheduled work day.

Alternatively, when a furlough lands on the day that a 4/10 employee is normally scheduled to work, the employee may take eight hours of furlough and two hours of paid leave.

**Q6: The current economic downturn is expected to last throughout 2009 and potentially into 2010. Are furloughs planned for 2010 and 2011?**

**A:** No furloughs are currently planned or anticipated past 2009.

**Q7: By taking ten unpaid furlough days, how much salary reduction will employees experience?**

**A:** Ten unpaid furlough days is the equivalent to a 3.85 percent reduction in salary.

**Q8: Can employees use accrued vacation, executive time, sick leave or compensatory time to be paid for unpaid furlough days if they are "furlough-eligible?"**

**A:** No. Employees using paid leave in lieu of an unpaid furlough days will not save the County money, therefore employees may not substitute paid leave for furlough days. Some employees will, however, be allowed to use vacation. Those employees include persons declaring intent to retire from the Washington State or the City Retirement systems. They also include employees making \$16.92 per hour or less. Lastly, employees who are furlough-ineligible may take their vacation days as normal regardless of the furlough schedule.

**Q9: Will FLSA-exempt employees who are permitted to use vacation because they have submitted a "Declaration of Intent to Retire" be allowed to remain on FLSA-exempt status during a week in which a furlough day occurs?**

**A.** Yes. FLSA-exempt employees who are otherwise furlough-eligible who submit a "Declaration of Intent to Retire" Form need not be converted to an hourly status during weeks in which a furlough occurs.

**Q10: Which specific days are scheduled for furlough?**

**A:** The County will substantially shut down most of its major facilities on the following days during the 2009 calendar year, requiring mandated leave by all furlough-eligible county employees:

Friday, April 10, 2009  
Friday, May 22, 2009  
Friday, June 19, 2009  
Monday July 6, 2009  
Friday, September 4, 2009  
Monday, October 12, 2009  
Wednesday, November 25, 2009  
Thursday, December 24, 2009

Deleted: Friday, January 2, 2009¶

**Q11: Can an employee pick different furlough days than those designated?**

**A:** No. Unpaid furlough days will be announced to the public. Almost all county buildings will be shut down on those official furlough days. Part of the overall plan is to achieve additional savings by closing facilities. Furlough-eligible employees should expect to be on furlough on the days listed.

**Q12: FLSA-exempt employees have different rules and expectations than hourly employees. How will FLSA-exempt employees be furloughed?**

**A:** During those weeks in which a furlough occurs, FLSA-exempt employees will be converted to an hourly status. During furlough weeks, all hourly rules and expectations will be applied to FLSA-exempt employees. Such rules include the payment of overtime consistent with an applicable collective bargaining agreement, the King County Code and/or state and federal law. During a week in which a furlough occurs, they must take a minimum half hour lunch, they must have two 15 breaks made available to them in the first and second half of the day (intermittent breaks are also appropriate) and they must use leave accruals for partial day absences. On actual furlough days, FLSA-exempt employees may not come to work, telecommute or perform services for King County unless specifically authorized to do so.

**Q13: Will all employees take furlough days including represented, non-represented, temporary, appointed and elected officials?**

**A:** All represented and non-represented employees will experience furlough days if they are "furlough-eligible." The same is true with all temporary employees including term-limited temporaries, short-term temporaries, interns, work-study students and seasonal workers. Elected official's salaries are set by law, but numerous elected officials have indicated plans to take voluntary salary reductions on par with the reductions experienced by furlough-eligible employees.

**Q14: For disaster response purposes, many employees have been designated as "essential." For furlough purposes, does this designation apply? Why the difference between "eligible" and "essential"?**

**A:** The terms "essential" and "non-essential" were used early in furlough planning but the terms were being confused with the meaning associated with disaster response. The terms have different meanings. As a result, the terms "furlough-eligible" and "furlough-ineligible" are used to more precisely describe the furlough situation and to distinguish it from disaster planning. "Furlough-eligible" employees are employees who will experience the unpaid furlough days. "Furlough-ineligible" employees are employees who fall under certain criteria and therefore will not experience the unpaid furlough days.

**Q15: Will the unpaid furlough days affect an employee's retirement?**

**A:** The identified unpaid furlough days will not affect a full-time employee's retirement system eligibility. In order to receive a full service credit, PERS 1 employees must be paid 70 hours within the calendar month. In order to receive full service credit, PERS 2 employees must be paid 90 hours within a calendar month. In order to receive a half service credit, PERS 2 employees must be paid between 70 and 89 hours in a calendar month. In order to receive a quarter service credit, PERS 2 employees must be paid 1 to 69 hours in a calendar month.

**Q16: Will the unpaid furlough days lower my pension payments?**

**A:** Pension payments are a function of earnings within specific years. If a person's earnings are lowered in those specific years (for example, PERS 1 the highest, and usually the last, two years of employment), pension payments are lowered. Provisions have been made for persons planning to retire in 2009 or 2010 to use paid vacation time in place of furlough days. In that way, their pension payments will not be lowered during their retirement years. In order to take advantage of the option, employees must provide their supervisor/manager with a "Declaration of Intent to Retire." (See the form provided for that purpose.)

**Q17: Why are some employees who are not retiring and are not furlough- ineligible being allowed to use vacation on furlough days?**

**A:** Employees earning \$16.92 per hour or less are allowed to use vacation time on unpaid furlough days. The impact of an unpaid furlough day on a person at that wage level can potentially be far greater than the impact on the typical county employee.

**Q18: Will the unpaid furlough day hours count toward the total number of hours worked in the week for overtime threshold purposes?**

**A:** Unpaid leave during the county's shutdown days is non-compensable time and will not count as hours worked towards the overtime threshold. Unique issues will be dealt with in accordance with applicable collective bargaining agreements.

**Q19: Will the medical, dental and vision benefits be affected as a result of the unpaid furlough days?**

**A:** Medical, dental, vision and other insured benefits will be unaffected by the mandated furlough leave except when an employee is on unpaid status for more than 30 consecutive days.

**Q20: A number of the unpaid furlough days are associated with legal holidays. Will furlough-eligible employees be paid for holidays?**

**A:** Furlough-eligible employees observing unpaid furlough days which are contiguous to holidays will be paid holiday pay for the holiday. If an employee is in an unpaid status for reasons unrelated to the unpaid furlough days, he or she will not be paid for that holiday in accordance with the King County Code.

**Q21: Can an employee telecommute on unpaid furlough days?**

**A:** Employees who are furlough-eligible and scheduled for an unpaid furlough day may not work at all on a furlough day.

**Q22: Many long-term employees accrue 20 to 30 vacation days per year. Will the furlough plan cause such employees to lose excess vacation accruals?**

- A:** Failure to use vacation leave beyond the maximum accrual amount results in forfeiture of the vacation leave beyond the maximum unless the specific carryover authorization has been approved by the HRD Director. The HRD Director will ensure that where an employee is denied vacation time as a direct result of the furlough days, the employee may be allowed to carry over vacation in excess of the maximum accrual. However, excess vacation carryover not due to a department's necessity to schedule mandated furlough time will be subject to standard carryover processes. Managers and employees are expected to continue to manage vacation accruals in a way which does not require request for carryover even in light of the required furlough.
- Q23: Some employees already have vacation time scheduled for 2009. How is that being addressed?**
- A:** Persons who are furlough-eligible may work with their managers and supervisors to schedule an alternative day off. Represented employees may take advantage of whatever agreements are achieved in labor-management committees where those committees exist. Non-represented employees should work directly with their managers and supervisors to make the appropriate adjustments.
- Q24: Will the various special forms of leave, such as military leave, be lowered due to unpaid furlough days?**
- A:** As a general rule, individuals should assume that employees will not be paid for days for which they are not typically scheduled to be paid. Furlough-eligible employees are not scheduled to be paid for furlough days. That does not mean, however, that a form of leave such as military leave will be lowered due to the furlough plan. If an employee has occasion to use the 21 days per year of military leave around a furlough day occurrence, he or she will continue to have 21 paid working days of military leave around the furlough day, but not including the furlough day. If there are collective bargaining agreements which apply to such circumstances, the agreements will prevail.
- Q25: If a person works in the Courthouse and is furlough-ineligible, will the building be open?**
- A:** At this time it is expected that the Courthouse will remain open. If changes to the different access entrances are instituted, notification will be provided.
- Q26: Are employees eligible to draw unemployment compensation for furlough days?**
- A:** Eligibility for unemployment compensation is determined by the Washington State Department of Employment Security.
- Q27: How will the timekeepers/payroll clerks report the time for FLSA- exempt employees who are furlough-eligible and converted to hourly employees during a week in which a furlough occurs?**
- A:** Time keepers will follow the method currently in place in their respective departments to administer payroll for hourly employees. The payroll furlough code to be used is FU or FUA for MSA and TRC 462 for PeopleSoft (see Payroll Operation Furlough instruction document).
- Q28: How will employees be able to pick up pay warrants on payday which occurs on a furlough day?**
- A:** Payroll Operations solution will mail the warrants out ahead of time and have the advices picked up after the furlough day but the final answer is forthcoming.